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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Satin Creditcare Network Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Satin Creditcare Network Limited ('the Company') for the quarter ended 30 September 2020 and the year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



# Walker Chandiook & Co LLP

**Satin Creditcare Network Limited  
Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year  
to Date Results of the Company Pursuant to the Regulation 33 and Regulation 52 read with Regulation  
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5. We draw attention to Note 3 of the accompanying Statement, which describes the uncertainty relating to the effects of Covid-19 pandemic on the Company's operations and the impact on the impairment provision recognized towards the loan assets outstanding as at 30 September 2020. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No:001076N/N500013



**Manish Gujral**  
Partner  
Membership No:105117

**UDIN:20105117AAAAHA5224**

Place: Mumbai  
Date: 13 November 2020



# SATIN CREDITCARE NETWORK LTD.

Reaching out!

## SATIN CREDITCARE NETWORK LIMITED

Statement of unaudited standalone financial results for the quarter and half year ended September 30, 2020

(₹ in Lakhs except EPS)

S. No	Particulars	Quarter ended			Half year ended		Year ended
		September 30 2020	June 30 2020	September 30 2019	September 30 2020	September 30 2019	March 31 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	<b>Revenue from operations</b>						
	Interest income	26,214.92	27,299.61	26,265.53	53,514.53	53,415.08	1,07,844.38
	Dividend income					2.21	2.21
	Fees and commission income	813.52	341.48	1,832.70	1,155.00	3,582.94	7,078.65
	Net (loss)/gain on fair value changes	(132.18)	(145.10)	685.29	(277.28)	1,121.40	1,237.44
	Net gain on derecognition of financial instruments	4,388.72	1,367.38	5,661.14	5,756.10	9,552.60	23,608.14
	Other operating income	31.26	68.33	40.41	99.59	85.04	186.29
1	<b>Total revenue from operations</b>	<b>31,316.24</b>	<b>28,931.70</b>	<b>34,485.07</b>	<b>60,247.94</b>	<b>67,759.27</b>	<b>1,39,957.11</b>
2	Other income	134.19	20.60	30.35	154.79	48.80	133.30
3	<b>Total income (1+2)</b>	<b>31,450.43</b>	<b>28,952.30</b>	<b>34,515.42</b>	<b>60,402.73</b>	<b>67,808.07</b>	<b>1,40,090.41</b>
	<b>Expenses</b>						
	Finance costs	15,090.71	15,550.95	14,759.75	30,641.66	29,926.17	57,686.12
	Impairment of financial instruments	4,517.36	3,199.74	955.79	7,717.10	2,415.47	18,882.89
	Employee benefits expenses	6,979.29	6,665.71	7,614.99	13,645.00	14,910.32	29,666.79
	Depreciation and amortisation expenses	320.12	336.50	380.89	656.62	728.69	1,519.84
	Other expenses	2,280.00	1,463.72	3,181.74	3,743.72	5,708.15	11,018.01
4	<b>Total expenses</b>	<b>29,187.48</b>	<b>27,216.62</b>	<b>26,893.16</b>	<b>56,404.10</b>	<b>53,688.80</b>	<b>1,18,773.65</b>
5	<b>Profit before tax (3-4)</b>	<b>2,262.95</b>	<b>1,735.68</b>	<b>7,622.26</b>	<b>3,998.63</b>	<b>14,119.27</b>	<b>21,316.76</b>
	<b>Tax expense:</b>						
	Current tax	1,756.80	614.17	1,319.45	2,370.97	3,738.44	5,474.97
	Deferred tax (credit)/charge	(773.48)	(163.72)	830.84	(937.20)	770.55	215.08
6	<b>Total tax expense</b>	<b>983.32</b>	<b>450.45</b>	<b>2,150.29</b>	<b>1,433.77</b>	<b>4,508.99</b>	<b>5,690.05</b>
7	<b>Net profit after tax (5-6)</b>	<b>1,279.63</b>	<b>1,285.23</b>	<b>5,471.97</b>	<b>2,564.86</b>	<b>9,610.28</b>	<b>15,626.71</b>
	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit and loss	(42.67)	(3.56)	(141.99)	(46.23)	(126.99)	87.80
	Income tax relating to items that will not be reclassified to profit and loss	10.74	0.90	37.20	11.64	31.96	(22.10)
	Items that will be reclassified to profit and loss	(1,532.05)	725.07	444.35	(806.98)	1,723.43	5,864.78
	Income tax relating to items that will be reclassified to profit and loss	385.59	(182.49)	13.21	203.10	(433.75)	(1,476.05)
8	<b>Total other comprehensive income</b>	<b>(1,178.39)</b>	<b>539.92</b>	<b>352.77</b>	<b>(638.47)</b>	<b>1,194.65</b>	<b>4,454.43</b>
9	<b>Total comprehensive income (7+8)</b>	<b>101.24</b>	<b>1,825.15</b>	<b>5,824.74</b>	<b>1,926.39</b>	<b>10,804.93</b>	<b>20,081.14</b>
10	Paid-up equity share capital (face value of ₹ 10 per equity share)						5,171.27
11	Other equity as per balance sheet of previous accounting year						1,40,105.69
12	<b>Earning per share (EPS) (face value of ₹ 10 per equity share)</b>						
	- Basic (amount in ₹) (reinstated)	2.29	2.36	10.04	4.64	18.13	29.07
	- Diluted (amount in ₹) (reinstated)	2.13	2.36	10.00	4.47	17.84	28.93
	(EPS for the period ended September 30, 2020, June 30, 2020 and September 30, 2019 are not annualised)						



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# SATIN CREDITCARE NETWORK LTD.

Reaching out!

## SATIN CREDITCARE NETWORK LIMITED

Statement of unaudited standalone financial results for the quarter and half year ended September 30, 2020

### Standalone Statement of Assets and Liabilities as at September 30, 2020

Particulars	(₹ in Lakhs)	
	As at September 30 2020 (Unaudited)	As at March 31 2020 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	1,57,216.45	1,10,732.02
Bank balances other than cash and cash equivalents	65,851.69	65,434.15
Derivative financial instruments	151.09	673.63
Trade receivables	442.20	613.14
Loans	4,60,884.06	4,70,939.10
Investments	26,817.46	51,333.45
Other financial assets	3,326.14	1,758.77
	<b>7,14,689.09</b>	<b>7,01,484.26</b>
<b>Non-financial assets</b>		
Current tax assets (net)	-	3,152.99
Deferred tax assets (net)	9.90	-
Property, plant and equipment	4,636.66	5,241.24
Capital work-in-progress	4,040.35	3,413.64
Other intangible assets	333.32	378.17
Other non-financial assets	1,709.45	1,752.61
	<b>10,729.68</b>	<b>13,938.65</b>
<b>TOTAL ASSETS</b>	<b>7,25,418.77</b>	<b>7,15,422.91</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
<b>Payables</b>		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	113.26	81.38
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	535.08	300.99
Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	135.96	227.71
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,964.81	1,220.08
Debt securities	1,34,610.03	86,386.14
Borrowings (other than debt securities)	3,59,574.07	4,00,213.72
Subordinated liabilities	51,903.89	54,308.13
Other financial liabilities	24,650.39	24,400.91
	<b>5,73,487.49</b>	<b>5,67,139.06</b>
<b>Non-financial liabilities</b>		
Current tax liabilities (net)	308.58	-
Deferred tax liabilities (net)	-	1,142.04
Provisions	1,118.65	1,086.40
Other non-financial liabilities	509.73	778.45
	<b>1,936.96</b>	<b>3,006.89</b>
<b>EQUITY</b>		
Equity share capital	5,667.49	5,171.27
Other equity	1,44,326.83	1,40,105.69
	<b>1,49,994.32</b>	<b>1,45,276.96</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>7,25,418.77</b>	<b>7,15,422.91</b>



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# SATIN CREDITCARE NETWORK LTD.

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## SATIN CREDITCARE NETWORK LIMITED

Standalone cash flow statement for the period ended September 30, 2020

Particulars	For the period ended September 30, 2020	For the period ended September 30, 2019
	(Unaudited)	(Unaudited)
<b>A Cash flow from operating activities</b>		
Profit before tax	3,998.63	14,119.27
<b>Adjustments for:</b>		
Depreciation and amortisation	439.01	728.69
Depreciation of right-of-use assets	217.61	-
Net (gain)/loss on derecognition of property, plant and equipment	(3.76)	(1.69)
Gain on sale of mutual funds	(2.48)	(862.26)
Unrealised (gain)/loss on fair value changes of derivatives and investments	279.76	(259.14)
Impairment on financial instruments	7,717.10	2,415.47
Gain on sale of loan portfolio through assignment	(5,756.10)	(9,552.60)
First loss default guarantee expenses	601.86	743.70
Share based payment to employees	19.02	96.68
Effective interest rate adjustment for financial instruments	240.79	748.85
Interest expense for leasing arrangements	43.84	-
Net gain on termination of leases	(2.84)	-
Corporate guarantee premium income	(3.12)	-
Unrealised exchange fluctuation loss (net)	(159.52)	190.79
<b>Operating profit before working capital changes</b>	<b>7,629.80</b>	<b>8,367.76</b>
<b>Movement in working capital</b>		
Decrease in trade receivables	170.94	25.10
Decrease in loans	7,647.59	39,637.63
(Increase) in term deposits	(417.54)	(5,589.11)
(Increase) in other financial assets	(1,899.20)	(761.85)
Decrease/(increase) in other non-financial assets	43.23	(405.70)
Increase in trade and other payables	918.95	555.27
(Decrease)/Increase in other financial liabilities	(349.26)	9,016.73
(Decrease) in provisions	(13.98)	(120.10)
(Decrease)/Increase in other non-financial liabilities	(286.44)	28.91
<b>Cash flows from/(used in) operating activities post working capital changes</b>	<b>13,444.09</b>	<b>50,754.64</b>
Income tax paid (net)	1,090.60	(4,948.27)
<b>Net cash flows from/ (used in) operating activities (A)</b>	<b>14,534.69</b>	<b>45,806.37</b>
<b>B Cash flows from investing activities</b>		
Purchase of property, plant and equipment, capital work-in-progress and intangible assets	(655.68)	(2,841.83)
Proceeds from sale of property, plant and equipment and intangible assets	16.08	12.71
Investment made in subsidiaries	-	(6,000.00)
Purchase of other investments (net)	24,507.76	(31,084.79)
<b>Net cash used in investing activities (B)</b>	<b>23,868.16</b>	<b>(39,913.91)</b>
<b>C Cash flows from financing activities</b>		
Proceeds from issue of share capital and share warrants (including premium and net of share issue expenses)	2,865.19	4,541.58
Proceeds from debt securities	51,500.00	21,428.00
Repayment of debt securities	(3,000.00)	(24,352.45)
Proceeds from borrowings other than debt securities	83,969.57	1,32,802.89
Repayment of borrowings other than debt securities	(1,10,835.10)	(1,61,977.36)
Lease payments	(244.79)	-
Proceeds from subordinated liabilities	304.77	-
Repayment of subordinated liabilities	(2,684.89)	(184.89)
<b>Net cash flows from financing activities (C)</b>	<b>21,874.75</b>	<b>(27,742.23)</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	60,277.60	(21,849.77)
Cash and cash equivalents at the beginning of the year	96,938.85	94,472.52
<b>Cash and cash equivalents at the end of the year</b>	<b>1,57,216.45</b>	<b>72,622.75</b>
<b>Notes:</b>		
Cash and cash equivalents	1,57,216.45	80,627.15
Less: Overdraft facility against term deposits	-	(8,004.40)
	<b>1,57,216.45</b>	<b>72,622.75</b>



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# SATIN CREDITCARE NETWORK LTD.

Reaching out!

## SATIN CREDITCARE NETWORK LIMITED

Statement of unaudited standalone financial results for the quarter and half year ended September 30, 2020

### Notes to the unaudited standalone financial results:

- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Satin Creditcare Network Limited ("the Company") at their respective meetings held on November 13, 2020 and are subjected to limited review by the statutory auditors. These results have been prepared in accordance with the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)
- The financial results have been prepared in accordance with applicable accounting standards, as notified under the Companies (Indian Accounting Standards) Rules, 2015, and as specified under section 133 of the Companies Act 2013
- The COVID-19 pandemic has affected several countries across the world, including India. The pandemic and consequent lockdown imposed by the Government considerably impacted the Company's business operations during the half year ended September 2020. Apart from other adverse effects, the pandemic has also resulted in significantly lower business activities. In accordance with the Reserve Bank of India ('RBI') guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020, 17 April 2020 and 23 May 2020, the Company offered moratorium up to six months on the payment of all instalments, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers as per Company's policy, classified as standard, as on February 29, 2020. For all such loans where moratorium is granted, the Company has kept ageing of such loans and their asset classification standstill during the moratorium period.

The Company has assessed the impact of COVID-19 on its liquidity and ability to repay its obligations as and when they are due. With the relaxation of lockdown rules and resumption of commercial activities in majority of geographies in which the Company has operations, the Company has disbursed fresh loans during the period ended as at September 30, 2020 and the management is confident that further disbursement and collections will pick up in coming months as compared to current period. Further, the Company considers its liquidity position which includes cash and cash equivalents as at September 30, 2020 and the expected inflows from various sources of borrowings including fresh sanctions for existing and new lenders. The management believes that Company will be able to pay its obligations as and when these become due in the foreseeable future.

The Company has recognized provisions as on 30 September 2020 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of unaudited financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

- The Company had allotted 1,99,82,283 partly paid Equity Shares of ₹ 10 each (₹ 2.50 each paid up) on September 1, 2020 on Rights basis. Thereafter, on September 4, 2020, BSE Limited and National Stock Exchange of India Limited have accorded listing and trading approval effective from September 7, 2020.
- The Company has allotted following Non-convertible Debentures during the period from April 1, 2020 to September 30, 2020:

Particulars	No. of Debentures
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on June 30, 2020 at a coupon rate of 11.25% per annum	250
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on July 28, 2020 at a coupon rate of 11.00% per annum, payable quarterly	250
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 25 Lakhs each, aggregating up to ₹ 5,000 Lakhs on July 15, 2020, roll over and maturity period extended for next 3 years at a coupon rate of 12.75% per annum	200
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on July 31, 2020 at a coupon rate of 10.95% per annum, payable half yearly	250
Unsecured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 1,500 Lakhs on August 07, 2020 at a coupon rate of 11.69% per annum	150
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 5,000 Lakhs on August 18, 2020 at a coupon rate of 10.25% per annum	500
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 10,000 Lakhs on August 24, 2020 at a coupon rate of 10.25% per annum	1,000
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 5,000 Lakhs on August 31, 2020 at a coupon rate of 10.20% per annum	500
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 5,000 Lakhs on September 15, 2020 at a coupon rate of 10.25% per annum	500
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 17,500 Lakhs on September 30, 2020 at a coupon rate of 10.40% per annum	1,750

- The Chief Operating Decision Maker reviews the operations at the Company level. The operations of the Company fall under "financing activities" only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. The Company operates in a single geographical segment, i.e. domestic.
- Previous year/periods figures have been regrouped/rearranged to make them comparable to current year/period figures.



For and on behalf of the Board of Directors of  
Satin Creditcare Network Limited

(H P Singh)

Chairman cum Managing Director  
DIN 00333754

Place: Gurugram

Date: November 13, 2020

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**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Satin Creditcare Network Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Satin Creditcare Network Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2020 and the consolidated year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



## Walker ChandioK & Co LLP

**Satin Creditcare Network Limited**

**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 3 of the accompanying Statement, which describes the uncertainty relating to the effects of Covid-19 pandemic on the Group's operations and the impact on the impairment provision recognized towards the loan assets outstanding as at 30 September 2020. Our conclusion is not modified in respect of this matter.
6. We did not review the interim financial information/ financial results of 3 subsidiaries included in the Statement, whose financial information reflects total assets of ₹41,714.33 lakhs as at 30 September 2020, and total revenues of ₹3,036.39 lakhs and ₹5,242.35 lakhs, total net profit after tax of ₹273.05 lakhs and ₹264.31 lakhs, total comprehensive income of ₹258.65 lakhs and ₹254.89 lakhs for the quarter and year to date period ended on 30 September 2020, respectively, and cash flows (net) of ₹(752.28) lakhs for the year to date period ended 30 September 2020, as considered in the Statement. These interim financial information/ financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.  
Our conclusion is not modified in respect of this with respect to our reliance on the work done by and the reports of the other auditors.

For **Walker ChandioK & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013



**Manish Gujral**  
Partner  
Membership No:105117

**UDIN:20105117AAAAHB7463**

Place: Mumbai  
Date: 13 November 2020



# Walker ChandioK & Co LLP

**Satin Creditcare Network Limited  
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and  
Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations  
and Disclosure Requirements) Regulations, 2015 (as amended)**

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## Annexure 1

### List of entities included in the Statement

- 1) Taraashna Financial Services Limited (formerly known as Taraashna Services Limited)
- 2) Satin Housing Finance Limited
- 3) Satin Finserv Limited



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# SATIN CREDITCARE NETWORK LTD.

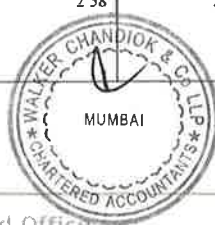
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## SATIN CREDITCARE NETWORK LIMITED

Statement of unaudited consolidated financial results for the quarter and half year ended September 30, 2020

(₹ in Lakhs except EPS)

S. No	Particulars	Quarter ended			Half year ended		Year ended
		September 30 2020	June 30 2020	September 30 2019	September 30 2020	September 30 2019	March 31 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	<b>Revenue from operations</b>						
	Interest income	27,395.09	28,458.11	26,906.46	55,853.20	54,521.32	1,11,000.52
	Dividend income	-	-	-	-	2.21	2.21
	Fees and commission income	2,264.81	1,207.58	3,257.60	3,472.39	6,506.27	13,778.42
	Net (loss)/gain on fair value changes	(130.50)	(118.89)	746.49	(249.39)	1,224.91	1,437.83
	Net gain on derecognition of financial instruments	4,423.14	1,367.38	5,661.14	5,790.52	9,552.60	23,608.14
	Other operating income	7.81	52.74	29.24	60.55	57.47	124.42
1	<b>Total revenue from operations</b>	<b>33,960.35</b>	<b>30,966.92</b>	<b>36,600.93</b>	<b>64,927.27</b>	<b>71,864.78</b>	<b>1,49,951.54</b>
2	Other income	92.92	88.35	40.42	181.27	92.07	391.65
3	<b>Total income (1+2)</b>	<b>34,053.27</b>	<b>31,055.27</b>	<b>36,641.35</b>	<b>65,108.54</b>	<b>71,956.85</b>	<b>1,50,343.19</b>
	<b>Expenses</b>						
	Finance costs	15,554.66	16,016.78	15,052.74	31,571.44	30,420.43	58,929.39
	Impairment of financial instruments	4,912.31	3,257.30	974.96	8,169.61	2,451.35	19,180.66
	Employee benefit expenses	8,179.15	7,923.06	8,941.82	16,102.21	17,554.20	35,134.58
	Depreciation and amortisation expenses	369.00	386.16	437.96	755.16	834.44	1,753.72
	Other expenses	2,410.60	1,756.57	3,697.41	4,167.17	6,728.14	14,182.20
4	<b>Total expenses</b>	<b>31,425.72</b>	<b>29,339.87</b>	<b>29,104.89</b>	<b>60,765.59</b>	<b>57,988.56</b>	<b>1,29,180.55</b>
5	<b>Profit before tax (3-4)</b>	<b>2,627.55</b>	<b>1,715.40</b>	<b>7,536.46</b>	<b>4,342.95</b>	<b>13,968.29</b>	<b>21,162.64</b>
	<b>Tax expense:</b>						
	Current tax	1,826.79	682.21	1,303.86	2,509.00	3,759.20	5,575.17
	Deferred tax (credit)/charge	(751.94)	(243.29)	800.55	(995.23)	691.29	90.21
6	<b>Total tax expense</b>	<b>1,074.85</b>	<b>438.92</b>	<b>2,104.41</b>	<b>1,513.77</b>	<b>4,450.49</b>	<b>5,665.38</b>
7	<b>Net profit after tax (5-6)</b>	<b>1,552.70</b>	<b>1,276.48</b>	<b>5,432.05</b>	<b>2,829.18</b>	<b>9,517.80</b>	<b>15,497.26</b>
	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit and loss	(62.71)	3.10	(139.56)	(59.61)	(122.45)	126.65
	Income tax relating to items that will not be reclassified to profit and loss	16.38	(0.78)	36.52	15.60	30.69	(32.91)
	Items that will be reclassified to profit and loss	(1,532.05)	725.07	444.35	(806.98)	1,723.43	5,864.78
	Income tax relating to items that will be reclassified to profit and loss	385.59	(182.49)	13.21	203.10	(433.75)	(1,476.05)
8	<b>Total other comprehensive income</b>	<b>(1,192.79)</b>	<b>544.90</b>	<b>354.52</b>	<b>(647.89)</b>	<b>1,197.92</b>	<b>4,482.47</b>
9	<b>Total comprehensive income (7+8)</b>	<b>359.91</b>	<b>1,821.38</b>	<b>5,786.57</b>	<b>2,181.29</b>	<b>10,715.72</b>	<b>19,979.73</b>
10	<b>Net profit after tax attributable to:</b>						
	Owners of the holding company	1,552.70	1,276.48	5,432.05	2,829.18	9,517.80	15,497.26
	Non-controlling interests	-	-	-	-	-	-
11	<b>Other comprehensive income attributable to:</b>						
	Owners of the holding company	(1,192.79)	544.90	354.52	(647.89)	1,197.92	4,482.47
	Non-controlling interests	-	-	-	-	-	-
12	<b>Total comprehensive income attributable to:</b>						
	Owners of the holding company	359.91	1,821.38	5,786.57	2,181.29	10,715.72	19,979.73
	Non-controlling interests	-	-	-	-	-	-
13	Paid-up equity share capital (face value of ₹ 10 per equity share)	-	-	-	-	-	5,171.27
14	Other equity as per balance sheet of previous accounting year	-	-	-	-	-	1,39,697.64
15	<b>Earning per share (EPS) (face value of ₹ 10 per equity share)</b>						
	- Basic (amount in ₹) (Reinstated)	2.78	2.34	9.97	5.12	17.96	28.83
	- Diluted (amount in ₹) (Reinstated)	2.58	2.34	9.93	4.93	17.67	28.69
	(EPS for the quarter ended September 30, 2020 and June 30, 2020 are not annualised)						



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# SATIN CREDITCARE NETWORK LTD.

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## SATIN CREDITCARE NETWORK LIMITED

Statement of unaudited consolidated financial results for the quarter and half year ended September 30, 2020

### Consolidated Statement of Assets and Liabilities as at September 30, 2020

Particulars	(₹ in Lakhs)	
	As at September 30 2020 (Unaudited)	As at March 31 2020 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	1,63,430.51	1,17,698.47
Bank balances other than cash and cash equivalents	71,085.23	70,417.64
Derivative financial instruments	151.09	673.63
Trade receivables	760.33	1,232.97
Loans	4,86,420.09	4,94,111.17
Investments	57.22	24,573.21
Other financial assets	4,139.94	2,521.89
	<b>7,26,044.41</b>	<b>7,11,228.98</b>
<b>Non-financial assets</b>		
Current tax assets (net)	720.51	3,778.61
Deferred tax assets (net)	486.01	-
Property, plant and equipment	4,982.98	5,618.82
Capital work-in-progress	4,040.35	3,413.64
Goodwill	3,370.66	3,370.66
Other intangible assets	358.01	405.61
Other non-financial assets	2,238.98	2,145.45
	<b>16,197.50</b>	<b>18,732.79</b>
<b>TOTAL ASSETS</b>	<b>7,42,241.91</b>	<b>7,29,961.77</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Payables		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	113.26	117.56
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,070.73	848.47
Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	135.96	193.77
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,148.62	1,332.60
Debt securities	1,35,105.60	86,386.14
Borrowings (other than debt securities)	3,71,419.25	4,11,462.61
Subordinated liabilities	53,898.62	56,302.54
Other financial liabilities	25,772.40	25,532.33
	<b>5,89,664.44</b>	<b>5,82,176.02</b>
<b>Non-financial liabilities</b>		
Current tax liabilities (net)	379.36	-
Deferred tax liabilities (net)	-	727.90
Provisions	1,360.21	1,285.71
Other non-financial liabilities	996.40	903.23
	<b>2,735.97</b>	<b>2,916.84</b>
<b>EQUITY</b>		
Equity share capital	5,667.49	5,171.27
Other equity	1,44,174.01	1,39,697.64
	<b>1,49,841.50</b>	<b>1,44,868.91</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>7,42,241.91</b>	<b>7,29,961.77</b>



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# SATIN CREDITCARE NETWORK LTD.

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SATIN CREDITCARE NETWORK LIMITED  
Consolidated cash flow statement for the period ended September 30, 2020

Particulars	For the period ended September 30, 2020	For the period ended September 30, 2019
	(Unaudited)	(Unaudited)
<b>A Cash flow from operating activities</b>		
Profit before tax	4,342.95	13,968.29
<b>Adjustments for:</b>		
Depreciation and amortisation	491.45	834.44
Depreciation of right-of-use assets	263.71	-
Net (gain)/loss on derecognition of property, plant and equipment	14.79	(1.69)
Gain on sale of liquid funds	(30.37)	(965.77)
Unrealised (gain)/loss on fair value changes of derivatives and investments	279.76	(259.14)
Impairment on financial instruments	8,169.61	2,451.35
Gain on sale of loan portfolio through assignment	(5,790.52)	(9,552.60)
First loss default guarantee expenses	463.15	1,059.40
Share based payment to employees	(74.20)	131.15
Effective interest rate adjustment for financial instruments	218.06	708.69
Interest expense for leasing arrangements	53.09	-
Net gain on termination of leases	(3.64)	-
Unrealised exchange fluctuation loss (net)	(159.52)	190.79
<b>Operating profit before working capital changes</b>	<b>8,238.32</b>	<b>8,564.91</b>
<b>Movement in working capital</b>		
Decrease in trade receivables	472.64	21.32
Decrease in loans	4,896.94	31,019.04
(Increase) in deposits	(667.59)	(6,737.04)
(Increase) in other financial assets	(1,888.06)	(143.06)
(Increase) in other non-financial assets	(93.46)	(645.45)
Increase in trade and other payables	976.17	1,589.92
(Decrease)/increase in other financial liabilities	(223.08)	9,057.76
Increase in provisions	14.89	67.60
Increase/(decrease) in other non-financial liabilities	75.46	(30.20)
<b>Cash flows from/(used in) operating activities post working capital changes</b>	<b>11,802.23</b>	<b>42,764.80</b>
Income tax paid (net)	928.48	(4,921.54)
<b>Net cash flows from/(used in) operating activities (A)</b>	<b>12,730.71</b>	<b>37,843.26</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment and capital work-in-progress and intangible assets	(686.04)	(3,018.50)
Proceeds from sale of property, plant and equipment and intangible assets	16.54	32.20
Purchase of other investments (net)	24,535.65	(30,981.28)
<b>Net cash used in investing activities (B)</b>	<b>23,866.15</b>	<b>(33,967.58)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital and share warrants (including premium and net of share issue expenses)	2,865.51	4,491.94
Proceeds from debt securities	52,000.00	21,428.00
Repayment of debt securities	(3,000.00)	(24,352.45)
Proceeds from borrowings other than debt securities	87,069.50	1,38,310.31
Repayment of borrowings other than debt securities	(1,13,329.72)	(1,62,690.97)
Lease payments	(296.87)	-
Proceeds from subordinated liabilities	304.77	-
Repayment of subordinated liabilities	(2,684.89)	(184.89)
<b>Net cash flows from financing activities (C)</b>	<b>22,928.30</b>	<b>(22,998.06)</b>
Net increase in cash and cash equivalents (A+B+C)	59,525.16	(19,122.38)
Cash and cash equivalents at the beginning of the year	1,03,905.30	96,581.67
<b>Cash and cash equivalents at the end of the year</b>	<b>1,63,430.46</b>	<b>77,459.29</b>
<b>Notes:</b>		
Cash and cash equivalents	1,63,430.51	85,463.69
Less: Overdraft facility against term deposits	(0.05)	(8,004.40)
	<b>1,63,430.46</b>	<b>77,459.29</b>



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# SATIN CREDITCARE NETWORK LTD.

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## SATIN CREDITCARE NETWORK LIMITED

Statement of unaudited consolidated financial results for the quarter and half year ended September 30, 2020

### Notes to the unaudited consolidated financial results:

- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Satin Creditcare Network Limited ("the Holding Company") at their respective meetings held on November 13, 2020 and are subjected to limited review by the statutory auditors. These results have been prepared in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)
- The consolidated financial results have been prepared in accordance with the 'Indian Accounting Standard - Consolidated Financial Statements' prescribed under Section 133 of the Companies Act, 2013 and comprise the financial results of the Holding Company and its wholly owned subsidiaries
- The COVID-19 pandemic has affected several countries across the world, including India. The pandemic and consequent lockdown imposed by the Government considerably impacted the Group's business operations during the half year ended September 2020. Apart from other adverse effects, the pandemic has also resulted in significantly lower business activities. In accordance with the Reserve Bank of India ('RBI') guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020, 17 April 2020 and 23 May 2020, the Group offered moratorium up to six months on the payment of all instalments, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers as per Group's policy, classified as standard, as on February 29, 2020. For all such loans where moratorium is granted, the Group has kept ageing of such loans and their asset classification standstill during the moratorium period.

The Group has assessed the impact of COVID-19 on its liquidity and ability to repay its obligations as and when they are due. With the relaxation of lockdown rules and resumption of commercial activities in majority of geographies in which the Group has operations, the Group has disbursed fresh loans during the period ended as at September 30, 2020 and the management is confident that further disbursement and collections will pick up in coming months as compared to current period. Further, the Group considers its liquidity position which includes cash and cash equivalents as at September 30, 2020 and the expected inflows from various sources of borrowings including fresh sanctions for existing and new lenders. The management believes that Group will be able to pay its obligations as and when these become due in the foreseeable future.

The Group has recognized provisions as on 30 September 2020 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Group believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of unaudited financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

- The Holding Company had allotted 1,99,82,283 partly paid Equity Shares of ₹ 10 each (₹ 2.50 each paid up) on September 1, 2020 on Rights basis. Thereafter, on September 4, 2020, BSE Limited and National Stock Exchange of India Limited have accorded listing and trading approval effective from September 7, 2020.
- The Holding Company has allotted following Non-convertible Debentures during the period from April 1, 2020 to September 30, 2020:

Particulars	No. of Debentures
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on June 30, 2020 at a coupon rate of 11.25% per annum	250
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on July 28, 2020 at a coupon rate of 11.00% per annum, payable quarterly	250
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 25 Lakhs each, aggregating up to ₹ 5,000 Lakhs, on July 15, 2020, roll over and maturity period extended for next 3 years at a coupon rate of 12.75% per annum	200
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 2,500 Lakhs on July 31, 2020 at a coupon rate of 10.95% per annum, payable half yearly	250
Unsecured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 1,500 Lakhs on August 07, 2020 at a coupon rate of 11.69% per annum	150
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 5,000 Lakhs on August 18, 2020 at a coupon rate of 10.25% per annum	500
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 10,000 Lakhs on August 24, 2020 at a coupon rate of 10.25% per annum	1,000
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 5,000 Lakhs on August 31, 2020 at a coupon rate of 10.20% per annum	500
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 5,000 Lakhs on September 15, 2020 at a coupon rate of 10.25% per annum	500
Secured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of ₹ 10 Lakhs each, aggregating up to ₹ 17,500 Lakhs on September 30, 2020 at a coupon rate of 10.40% per annum.	1,750

- The Chief Operating Decision Maker reviews the operations at the Group level. The operations of the Holding Company and its subsidiaries fall under "financing activities" only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 - Operating Segments. The Group operates in a single geographical segment, i.e. domestic.
- Previous year/periods figures have been regrouped/rearranged to make them comparable to current year/period figures.



For and on behalf of the Board of Directors of Satin Creditcare Network Limited

  
(H P Singh)  
Chairman cum Managing Director  
DIN 00333754

Place: Gurugram  
Date: November 13, 2020

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